throughout the country and Government has failed miserably to protect the interests of 40 lakh jute workers. Therefore, the question is we are not interested in listening to how much they have purchased but we are interested in knowing what steps the Government proposes to take this year also the distress sale does not take place as has happened last year.

SHRI KHURSHID ALAM KHAN: We will ensure that procurement of raw jute is done according to the prices announced by the Agriculture Ministry and all the centres are well equipped to start purchases as soon as juts starts arriving in the market..

MR. CHAIRMAN: Is there any distress sale by the small farmers?

SHRI KHURSHID ALAM KHAN: We have made announcements over the radio, the television and through the local media that nobody should make distress sale of the comodity because we are there to purchase all that jute which is brought to the centres by the producers and not the middlemen.

SHRI SUKOMAL SEN: Everybody will agree that jute industry is in deep crisis. Now the Minister said that the JCI is not going to undertake monopoly purchase of raw jute and he added that if the States want, they can do it at their level. Now the industry is in such a crisis where not only is production of raw jute and its export affected by the policy of the Government now they are also importing synthetic fibre and that is also competing with jute. Now, considering all these aspects of the crisis in jute industry, I would like to know whether the Government is now at least prepared to consider the demands put forward by various quarters including the Legislative Assembly of West Bengal and various concerned organisations for nationalisation of jute industry, including raw jute trade. The Minister said the States may undertake monopoly purchase of raw jute, pending nationalisation, if the States support monopoly procurement. In that case, will the Government of India provide the necessary advance to the States so that they can build up administrative apparatus and infrastructure for monopoly purchase of raw jute?

MR. CHAIRMAN: He has said already Government has no such intention. What is the use of repeating the point?

SHRI KHURSHID ALAM KHAN: I entirely agree with the honourable Member that the synthetics are replacing the jute and it is also a fact that 80 per cent of the synthetic material is imported. Therefore, we have taken it up with the Industry Ministry that this synthetic production should be controlled in such a fashion that it does not damage the jute industry. But at the time I would certainly like to assure the honourable Member that the Central Government has no intention of providing any monetary support to State Governments or procurement of jute on a monopoly basis.

श्री सत्य प्रकाश मालवीय : मान्यवर, मैं यह जानना चाहता हूं कि क्या जूट उत्पादकों को उनके उत्पादन मूल्य के अनुसार मूल्य नहीं मिल रहा है ? . . . (व्यवधान)

SHRI KHURSHID ALAM KHAN: We have made it very clear on more than one occasion that we have no intention of nationalising the jute industry.

National Consumer Cooperative Federation

*183. SHRI SUSHIL CHAND MOHUNTA :

SHRI S. W. DHABE:†

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government's attention has been drawn towards reports of corruption against National Consumer Cooperative Federation that ap-

†The question was actually asked on the floor of the House by Shri S. W. Dhabe.

appeared in the recent issue of "Rabibar and Indian Observer;

(b) whether Government have instituted any inquiry into the matter; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI AJIT PANJA): (a) to (c) Yes, Sir. A statement is laid on the Table of the House.

Statement

Reports of corruption against NCCF that appeared in the recent issues of "Ravivar" and "Indian Observer"

The reports that appeared recently in "Ravivar" and "Indian Observer" refer to non-implmentation of recommendations contained in the report of Joint Secretary in the Department of Civil Supplies by the National Co-operative Consumers' Federation (NCCF), amassing of huge property by the President, NCCF, allegations against certain officers of NCCF for their alleged involvement in corrupt practices, CBI case against some officers of NCCF for supplying inferior quality of pulses by NCCF to Food Corporation of India, hiring of accommodation in Bombay with some ulterior motives, smuggling out rice worth crores of rupees through a private party fraudulently in the name of NCCF and misuse of controlled cloth.

2. So far as the non-implementation of the recommendation contained in the Joint Secretary's report is concerned, it has been reported by the NCCF that the Federation has already taken steps for implementation of the recommendations. So far as the allegations against President, NCCF regarding amassing of huge property are concerned, action has been taken by the Government. NCCF has reported that they have initiated investigation and disciplinary action against officers whose names are figuring in the reports. As regards allegations of supply of inferior quality of pulses to Food Corporation of India by the NCCF, the Government on receipt of some complaints, has already asked the Central Bureau of Investigation to investigate the matter. In regard to purchase of premises at Bombay, the Government has directed the NCCF not to vacate the existing premises and acquire new accommodation. NCCF has informed that a private party unauthorisedly exported about 9500 MTs of rice using the name of NCCF. A criminal case has been filed by the NCCF in the court of Chief Metropolitan Magistrate, Bombay, against the party involved. As regards misuse of controlled cloth, the Government of India on receipt of certain complaints on its own initiative asked the Central Bureau of Investigation to enquire into the matter.

SHRI S. W. DHABE : Sir, this is a very serious matter where allegations are made and the report was there with the Joint Secretary that the President of the National Consumer Co-operative Federation amassed huge property. Allegations are also there against certain officers for involvement in corrupt practices. Sir, this NCCF is a very important Federation, and it has become a cesspool of corruption. I would like to know from the Minister as to when this report was received by the Government. In para 2 of the statement, it has been stated that "so far as the allegations against the President, NCCF regarding amassing of huge property are concerned, action has been taken by the Government." May I know from the hon. Minister as to what action has been taken and whether the person continues to be either the President or the Director of the Federation?

SHRI AJIT PANJA : Sir, so far as the Joint Secretary's Report referred to by the hon. Member is concerned, there is no mention about the allegations aginst the President..

SHRI S. W. DHABE : When was it submitted?

SHRI AJIT PANJA:...but the allegations, as the hon. Member himself mentioned, had appeared in certain newspapers. On the basis of not only newspaper reports but also certain complaints received, an enquiry was started. First the Joint Secretary, Mr. D. K. Singh, went there to find out the modalities by which they are incurring losses. And their various irregularities and illegalities came to our notice. Immediately that was done. So far as *the prima facie case* found is concerned, one base has been handed over to the Central Bureau of Investigation against one General Manager named J. N. Jha. So far as the other three General Managers are also concerned *prima facie* cases have been established, and it coincided with the question, Sir. Today, all the four General Managers —Ram Babu Singh, Ram Suraj Mani Lal, J. N. Chakravarty and J. N. Jha —have been put under suspension.

SHRI S. W. DHABE : My question was about the President and whether he continues to be the President or he continues to be the Director of the Federation. He has not replied to this question of mine.

SHRI AJIT PANJA : So far as the President is concerned, we have to go by a *prima facie* case as established under the law of the country. So far as these four officers who are very senior officers are concerned, we have found *prima facie* cases and we have put them under suspension. So far as the President is concerned, this question was answered in this House by the hon. State Minister of Finance, Mr. Poojari, that so far as his income is concerned, after receiving the complaints, the Income-Tax Department has been alerted and steps are being taken.

SHRI S. W. DHABE : Sir, I seek your protection. I want to know whether he continues to be the President or he does not continue to be the President.

SHRI P. SHIV SHANKER : May I submit, Sir, that he does not continue to be the President. In fact the elections were to be held in March. They have not been held. They were postponed. But he has been elected the Director. (*Interruption*) But he has been elected. What can be done?

MR. CHAIRMAN: Second supplementary.

SHRI S. W. DHABE: Sir, my second question is about para 2 of the statement. Sir, it has been stated in para 2 that "the NCCF has informed that a private party unauthorisedly exported about 9300 MTs. of rice using the name of NCCF. A criminal case has been filed by the NCCF in the court of the Chief Metropolitan Magistrate Bombay, against the party involved."

Sir, may I know as to how the name of the NCCF was used? What is the name of the party and whether the President was involved in this matter?

SHRI AJIT PANJA: Sir, the criminal case is pending. The matter is *sub justice*. But, of course if the hon. Member wants it, I can send the particulars of the criminal case...

SHRI S. W. DHABE: I am not asking the details.

MR. CHAIRMAN: He is asking whether the President is involved in it.

SHRI AJIT PANJA: Sir, so far as my records show, no case has been instituted against the President.

MR. CHAIRMAN: Shri Virendra Verma.

श्री वीरेन्द्र वर्मा : मान्यवर, यह मंत्री जी के उत्तर से संबंधित है । मान्यवर, 13 करोड़ की दालें एफ. सी. आई. ने एन. सी. सी. एफ. के जरिये से खरीदने के लिए टेंडर काल किये हैं । जैसा कि आप के उत्तर से संबंधित है, इन्फीरियर क्वालिटी का और हाई रेट्स पर । जो मान्यवर, मेरे पास मौजूद है मैं उसे मंत्री जी को दिखला दूंगा बताता नहीं । तो रेट्स कम आये और हायर रेट पर खरीदा । इस प्रकार से 28 लाख 45 हजार का नुकसान गवर्नमेंट का हुआ और 13 करोड़ का यह मामला

था । यह आपने कहा है कि सी. बी. आई. को रिपोर्ट दे दी है । मान्यवर, 17-1 85 को सी. बी. आई. में रिपोर्ट दी गयी, 14-4-85 को सी.बी.आई. ने रिपोर्ट दे दी है और 14-4-85 को भी एक वर्ष पूरा हो चुका है । आपा कह रहे हैं कि हमने रिपोर्ट दी है सी. बी. आई. को--पहला मेरा पार्ट (ए) प्रश्न तो यह है--क्योंकि मैं चाहता हूं कि इन प्रश्नों की आज्ञा आप मुझे देंगे । आप अगर मुझे दे सकेंगे, तो मैं आपका बहुत मशकूर होऊंगा । मेरे पास प्रश्न बहुत हैं । हाथ जरूर उठाऊंगा अगर मुझे अवसर मिल जाए ।

मान्यवर, 9,300 मीट्रिक टन चावल कांडला पोर्ट से बाहर भेजा गया एन. सी. सी. एफ. के नाम से और क्योंकि कोई 400-500 क्विंटल या टन का सवाल नहीं है, 9,300 टन के लिए कितने दिन लगे होंगे, कितना समय लगा होगा--क्या, मान्यवर, इसकी जानकारी नहीं हुई और अगर हुई है, तो इसको कोई परसू भी हाई कोर्ट में कर रहा है या नहीं ? क्योंकि यह सब मिले हुए हैं, इसलिए कोई परसू भी नहीं कर रहा है ।

तीसरा प्रश्न है, कण्ट्रोल्ड क्लाथ के मिसयूज की बाबत आपने सी. बी. आई. को दिया ।

कृपा करके यह बताएं कि कितना मैटेर इनवाल्वड है ? कब आपने सी0 बी0 आई0 को दिया और आखिरी और चौथा सवाल, या फिर मुझे अवसर दे दिया जाएगा तो मैं बैठता हूं । एक क्वेश्चन का अवसर आप और दे दीजिए, इसके दो पार्ट और कर लूंगा ।

SHRI AJIT PANJA: Sir, I will take the rice first. About 10,000 tonnes of rice was bought for Rs. 4 crores and it appears that those have been fraudulently smuggled through Kakinada port and the matter was hushed up. The matter was taken up with the NCCF who reported that a committee comprising some directors of NCCF would inquire into the matter and in pursuance of the recommendation of the sub-committee,, the board decided to file a criminal case against the private party who used the name of NCCF for fraudulently exporting the rice in the name of NCCF and accordingly a case was filed before the Chief Metropolitan Magistrate. It has slso been informed that as per the instructions of the court the matter was sent under investigation of CID Crime Branch of Bombay Police. This was mentioned in reply to another question in Parliament. Sir, so far as rice bought for Rs. 1.65 crores lying at Kandla port is concerned, it was found that there was a bungling of 5,000 metric tonnes of rice, valued at Rs. 1.64 crores by NCCF. The NCCF reported that the stock meant for export to Kandla port and lying their for shipment got damaged because there was a heavy downpour and cyclone and that is why the goods were damaged. They lodged a claim with the insurance company who refused to pay when the matter has been taken to High Court for the recovery of the amount covered under the policy. Sir, so far as the inferior quality of pulses is concerned, since the news came, it appears that the irregularities were committed by NCCF in the supply of pulses to FCI. In this connection, the department of Food and Civil Supplies received complaints about irregularities in the supply of pulses worth Rs. 13 crores by NCCF. The FCI after going through the complaints came to the conclusion that there is a *prima facie* case of irregularities being committed and, therefore, Sir, these four zonal managers who were *prima facie* found to be involved in this have been put under suspension.

SHRI BIR BHADRA PRATAP SINGH: Mr. Chairman, Sir, it seems from paragraph 2 of the reply that so far as the officers are concerned, action has been taken against the president and other top bosses, as they are mentioned in CBI case No. RC-3/85-CIVA registered on 12th April, 1985. There were five officers mentioned. Whereas the Minister's reply says that only a few out of them have been suspended. May I read their names (1) Yogendra Jha,

(2) S. K. Sethi, (3) A. S. Jain, (4) T. S. Gautam and (5) Kimti Lal and as per the CBI findings, Government was cheated by these officers to the tune of Rs. 2 lakhs through this sub-standard supply. May I know from the hon. Minister, if the findings of the CBI are uniform about all the five officers, why action of suspension has been taken only against a few of them and not against all of them?

SHRI AJIT PANJA: When the report comes, the Department examines it, and it appears that for a long period—in fact, for three years—these things were going on. We have to identify them one by one, and accordingly the senior officers who are the head, were put under suspension. So far as others are concerned, I can assure the House that under effective directions of my senior colleague, all kinds of corruption will be weeded out of this organisation and each case is being dealt with everyday and is being looked into and action is taken.

SHRI NIRMAL CHATTERJEE: Sir, my only question is as to what prevents the Government to disband the Board.

SHRI AJIT PANJA: This is under Co-operatives Act and we have not gone into the question of disbanding it. We are taking steps so far as the offending officers are concerned.

MR. CHAIRMAN: Mr. Shiv Shanker, I would like you to look into this matter.

SHRI P. SHIV SHANKER: Apart from that may I bring to the notice of the House that the statutory authority is the Registrar of Cooperative Societies who has got to supersede. He has been asked, of course informally to look into it because if it is formal, it would be said that he is being influenced by extraneous matters.

श्री वीरेन्द्र वर्मा : क्या माननीय मंत्री जी को जानकारी है कि 14-6-83 को पूर्व चेयरमैन, एन.सी.सी.एफ. श्री आर. जी. गोपाल ने कई बार ज्वायंट सेक्रेटरी फूड एंड सिविल सप्लाइज को अनेकों अधिकारियों के खिलाफ सीरियस कम्प्लेंट्स लिखी थी और रिमाइन्डर्ज भी भेजे ? क्या माननीय मंत्री जी को जानकारी है कि उस संबंध में कोई कार्यवाही उन्होंने की है ? दूसरा, एक करोड़ 65 लाख रु. जो काकीनाडा से परमल राइस बाहर भेजा गया था डैमेज दिखला करके, जिसका इश्योरेंस क्लेम भी आपने मांगा था एन.सी.सी.एफ. ने उसने मना कर दिया था कि हम कोई क्लेम नहीं देंगे । उसके खिलाफ कोर्ट में आप गए हैं और उसकी कोई पैरवी नहीं कर रहे हैं। क्या यह सही है कि यह सारा काम फर्जी है क्योंकि न कोई साइक्लोन आया था [illegible] कुछ और हुआ था मगर फिर भी 1 करोड़ 65 लाख फर्जी दिखला करके इश्योरेंस से क्लेम मांगना चाहा है । इश्योरेंस ने मना कर दिया तो फर्जी केस कर दिया हाई कोर्ट में और वहां उसकी कोई पैरवी नहीं की जा रही है ?

SHRI AJIT PANJA: So far as Kakinada port, I have already answered. It involved 10,000 metric tonnes.

SHRI VIRENDRA VERMA: Kandla Port.

MR. CHAIRMAN: What the hon. Member says is that you have preferred a claim saying that insurance company must pay and the insurance company is saying that there was no cyclone or floods or anything of the kind.. Have you pursued the matter in the court and what steps you are taking in this direction?

SHRI AJIT PANJA: As I submitted, these are the steps taken by NCCF. It appears...

श्री वीरेन्द्र वर्मा : एन. सी. सी. एफ. तो लेने का ही नहीं है ।

SHRI AJIT PANJA .. that come steps have been taken by NCCF, there is a case in Calcutta High Court also that to forestall the action a civil suit—and somewhere criminal—has been filed by them, and these things are being looked into alongwith my senior colleagues; to forestall any action by the Government they have done so and we are going into each of the details.